

MEMO / NOTE DE SERVICE

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TO: Mayor and Members of Council

DESTINATAIRE : Maire et membres du Conseil

**FROM: Debbie Stewart, General
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DATE: October 14, 2025

14 octobre 2025

FILE NUMBER: ACS2025-SI-HSI-0017

SUBJECT: Kanata-Stittsville Family Health Team / Health Hub

OBJET : Équipe de santé familiale et carrefour santé de Kanata-Stittsville

PURPOSE

The purpose of this memo is to provide a response to Councillor Gower's motion ([No. FCSC 2024-48-23](#)) for City staff to enter into discussions regarding a potential Family Health Hub to be located at 1655 Maple Grove Road.

BACKGROUND

On December 11, 2024, City Council approved a motion to direct staff to enter into discussions with the Kanata-Stittsville Family Health Team proponents to examine how a portion of the municipal land at 1655 Maple Grove Road could be made available for a health care use. That examination included a review of:

- Land use requirements;
- Applicable laws, regulations and policies, including the City of Ottawa's Disposal of Real Property Policy and any restrictions under the Municipal Act including Section 106 related to Municipal Bonusing; and

- Municipal health and social services that may benefit from being co-located within the proposed Health Hub.

Staff met with representatives from the Kanata-Stittsville Family Health Team to understand their concept and requirements for such a project.

DISCUSSION

The site

The subject site, 1655 Maple Grove Road, is owned by the City of Ottawa and is approximately 18 hectares (44 acres) in area, with the Maple Grove Depot office, garage, storage dome and yard located on the southern portion of the property. The site has frontage along both Maple Grove Road and Palladium Drive. As part of the future Stage 3 LRT expansion, a transit station is planned on the City-owned lands at the western edge of the property.

Abutting the site to the west is a draft plan of subdivision at the intersection of Huntmar Drive and Maple Grove Road. The Maple Grove Stormwater Management Pond is located to the southeast of the site, with a portion of its discharge channel and the associated maintenance walkway extending into the site. To the north of the site is a surface parking lot and Palladium Drive.

Proposal for Kanata-Stittsville Family Health Hub

The proponents for the Family Health Hub shared a concept that would include comprehensive healthcare being available with a health team approach. The proposed health hub aims to provide multi-disciplinary primary care to up to 50,000 residents in Ottawa's wet end. Facility users would have access to family physicians, Nurse Practitioners, and an array of allied health members. This facility would also be supported by various medical specialties. The proponents have applied to the Ontario Ministry of Health to fund several initial health programs and are awaiting a response.

A similar concept was developed in Perth by the same proponents interested in the Maple Grove location. The business plan for the health centre does include an assumption that land costs would be well below market value and approaching a nominal value. In the Perth example, the proponent was able to receive the land at a steep discount from market value because they were dealing with a private landowner. That owner was motivated to offer the land at a discount because they operated a long-term care facility next door and was able to secure services at the new health centre in return for the discounted land.

Land use requirements / Official Plan designation and Zoning

The site is designated Evolving Neighbourhood on Schedule B5 of the Official Plan. This designation applies to areas in proximity to hubs and corridors to signal a gradual evolution over time that will see a change in character to support intensification. A future transit station is also identified on these lands, as noted above. The northern portion is currently zoned DR[1] – Development Reserve, subzone 1 and DR[1933]-h - Development Reserve with exception and holding (for a small portion of the northern part) and the southern portion, where the Maple Grove Depot is located, is zoned IL[1280] – Light Industrial with exception. The purpose of the DR zones is to recognize lands intended for future urban development. Current zoning does not permit non-residential uses such as a medical facility or residential care facility. A rezoning application would be required to permit the proposed health hub.

A medical facility requires parking at a rate of four space per 100 square metres of gross floor area, which in this suburban context would likely only be surface parking. Municipal services are available; however, further investigation would be required to confirm servicing capacity.

Applicable laws

City of Ottawa's Disposal of Real Property Policy

The City of Ottawa's Disposal of Real Property Policy requires that City-owned land be sold at fair market value and that notice be made to the public to solicit offers. Sole sourcing is not permitted for Viable Real Property; however, City Council has the discretion to waive the Disposal of Real Property Policy or sections of said policy.

Ontario Municipal Act

The City of Ottawa, like other Ontario municipalities, generally cannot sell land at a nominal value to a commercial entity due to several legal, financial, and policy-based reasons in accordance with the Ontario Municipal Act. Specifically, Section 106 of the Municipal Act, 2001 prohibits municipalities from assisting commercial enterprises through selling or leasing land for below fair market value. Such an action would be considered "bonusing", which is prohibited as it provides direct or indirect financial assistance (example, free land) to businesses.

Municipal health services and social services co-location

In the context of the Kanata-Stittsville Family Health Hub, the proponents have indicated that the hub could include a presence from Ottawa Public Health (OPH), should they wish to pursue this partnership.

CONCLUSION / OPTIONS

In accordance with the Municipal Act, the City cannot offer the land at a nominal value or below market value to private businesses.

However, given the high social value of the proposed health hub and community need for more medical facilities and services, Council could direct staff to initiate a request for offers (RFO) for a health hub on the northern portion of the overall site. Due to the site's large size (18 hectares), staff would sever a portion of the site adequately sized to accommodate a health hub and that specific area would be identified in the RFO. The City could further support the project by initiating the required Zoning By-law amendment to rezone city-owned lands for the intended use prior to disposal. This would ensure that the lands are suitable for the proposed use, without placing added risk on the successful RFO candidate.

Funds from the sale of the property would be used to offset any costs incurred to sever and rezone the property. This would allow the City to contribute meaningfully while staying within legal and ethical boundaries.

As part of the City's ongoing efforts to attract and retain primary care providers and improve residents' access to essential health services, as outlined in the proposed *Primary Care Provider Recruitment and Retention* strategy coming to Finance and Corporate Services on October 7, 2025 (ACS2025-SI-SPO-0003), the City will actively support the development of non-profit medical clinics. This includes exploring opportunities to assist non-profit medical organizations through the provision of land, space, or capital funding, particularly in underserved areas.

FINANCIAL IMPLICATIONS

The City funding the rezoning and severance costs of the property, funded by the future sale of the property, would result in lost zoning and severance revenues. A report would be brought forward to Council to approve a portion of the proceeds on the sale to fund the rezoning and severance costs.

ASSET MANAGEMENT IMPLICATIONS

There are no Asset Management implications resulting from the recommendations of this report.

Signed: Lily Xu, Interim Director, Housing Solutions and Investment Services

CC: Will McDonald, Director, Strategic Projects Office, SID

SUPPORTING DOCUMENTATION

- **Document 1 - Location Map - 1655 Maple Grove Road**

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